

generic utilization 72.2% of the claims (range=66.1%-84.8%). The average price of generic drug was \$17.44 (range=\$6.25-\$29.12), while the average price of brand drugs was \$217.07 (range=\$105.63-\$357.51). The average pharmacy dispensing fee was \$4.51±\$2.03 for generics and \$4.26±\$2.03 for brands (range for both=\$1.75-\$11.50). The ingredient cost was estimated using average wholesaler price (AWP) (n=25), wholesaler acquisition cost (WAC, n=11) and combination AWP/WAC (n=10). We found no statistical significant relationship between the number of claims or the total state expenditures, and the dispensing fee or ingredient cost. **CONCLUSIONS:** Dispensing fees and ingredient cost varied among the different states' Medicaid programs. Those differences were not related to the total utilization and expenditures of the state programs. Appropriate reimbursement and dispensing fee policies encouraging generic utilization could result in substantial saving for the Medicaid program.

PHS77

PAYMENT REFORM AND CHANGES IN HEALTH CARE IN CHINA

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OBJECTIVES: As the health care safety net continues to grow in both depth and breadth, the provider payment system will play an increasing role in the resource allocation of health care in China. This paper is intended to assess the primary effects of payment reform of capitation experiment and the supplementary open enrollment policy in Changde city, China. **METHODS:** In October 2007, Changde employed a capitation approach to pay for health care under the Urban Resident Basic Medical Insurance (URBMI), while the fee-for-service approach was still used by the Urban Employee Basic Medical Insurance (UEBMI) in the city and other programs as well. Using the national URBMI Household Panel Survey from 2008-2010, we conducted a set of difference-in-difference (DD) models to assess the capitation policy effect on cost and utilization outcomes while controlling for other differences between Changde and other cities. **RESULTS:** The study finds the payment reform to reduce its inpatient out-of-pocket cost by 19.7%, out-of-pocket ratio by 9.5%, and length of stay by 17.5%. The total inpatient cost, drug cost ratio, treatment effect, and patient satisfaction showed little difference between FFS and capitation models. The robust tests find the relatively poor health subsample present a similar pattern with the results based on the full sample; as for the population cohort with good and very good self-rated health conditions, the payment reform in Changde has little impact on either providers or patients. **CONCLUSIONS:** We conclude that the payment reform in Changde led to an decrease in the financial burden of patients for inpatient care and improve hospital efficiency, without compromising quality of care. The total cost measures remain no change between capitation and FFS settings, which can be research topics for further studies concerning the long term effect of capitation approaches.

PHS78

PERSISTENCE WITH GLAUCOMA THERAPY IN A LARGE HEALTH ORGANIZATION IN ISRAEL

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OBJECTIVES: To investigate treatment patterns of glaucoma and persistence to therapy in a large health organization (HMO) in Israel. **METHODS:** A retrospective cohort study, conducted using the electronic medical databases of Maccabi Healthcare Services, a 2 million member HMO in Israel. The study population consisted of all patients who were newly diagnosed with glaucoma between 2003 and 2010 at MHS. Collected data included personal characteristics and demographics, relevant surgical procedures, prescribed and dispensed anti-glaucoma medications, and caregiver characteristics. We investigated quality of care indices including routine ophthalmologist follow up, performance of tonometry tests, as well as persistence to treatment by drug type. Persistence was analyzed by proportion of days covered by drugs during follow up time, ignoring overlaps due to overuse and simultaneous combination of several types of eye drops. **RESULTS:** A total of 11,512 incident glaucoma patients, who were diagnosed between 2003 and 2010 were identified. One quarter of these patients remained naïve through the follow-up period, additional 20% were non-adherent with therapy (covered less than 20% of the follow up time), and only 13% exhibited high persistence (covered at least 80% of the follow-up period). The most common physician was ophthalmologist both at treatment initiation (70% of initial prescriptions were ophthalmologist vs. 7% by general practitioner) and ongoing prescriptions (48% ophthalmologist vs. 22% by general practitioner). **CONCLUSIONS:** The current study demonstrates the potential use of automated medical databases to characterize treatment patterns of glaucoma, illustrate the great variety of drug therapies, and describe adherence to treatment in the community. The increased comorbidity and mortality among these patients has important implication for health authorities for prevention and delivery of health-care services.

PHS79

KNOWLEDGE, AWARENESS AND ATTITUDES TO RATIONAL USE OF DRUG OF PATIENTS AND ITS INFLUENTIAL FACTORS IN BEIJING, CHINA

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OBJECTIVES: To investigate outpatients' knowledge, attitude and awareness on medication and analyze the influential factors. **METHODS:** A total of 711 outpatients who consented to participate the survey were recruited from 306 Hospital of PLA in Beijing between 2009-2012. The self-administered questionnaire was composed of XX questions. Multiple linear regressions were run to

explore the influential factors. Data were analyzed using STATA v11.0. **RESULTS:** The outpatients investigated showed a poor cognition on rational drug use. 84.8% of the patients would stop taking drugs by themselves. 60.1% of the patients were aware of adverse drug reactions. Age, urban-rural difference, knowledge of medication, and health status have different degrees of influence on the medication behavior and medication willingness of patients, while family income and health insurance have little influence. Information provided by the patients was compared with the prescriptions. **CONCLUSIONS:** These results suggest that outpatients in China had much misunderstanding about drug use. Patients' education regarding rational drug use is an important issue and deserves urgent improvement. **KEY WORDS:** Outpatients; Cognition; Determinants; Rational use of drug; Self-medication.

PHS80

SURGERY AND BIOLOGIC USE PATTERN FOR PATIENTS WITH CROHN'S DISEASE WHO INITIATED TNF ANTAGONISTS IN A MANAGED CARE SETTING IN THE UNITED STATES

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OBJECTIVES: To determine patient demographics and treatment patterns in patients with Crohn's Disease (CD) who initiated biologic treatment with a TNF antagonist (infliximab or adalimumab). **METHODS:** Patients ≥ 18 years with CD (ICD-9:555.X) who initiated a TNF antagonist between January 2007 and December 2008 were identified from the US IMPACT health insurance claims data-base. Two cohorts were identified; those who received CD related surgery (CDSURG) within a 24-month follow-up and those who did not (CDNon-SURG). Patients continuously enrolled for medical and pharmacy benefits during 6 months prior to their first TNF antagonist claim (index claim). **RESULTS:** A total of 812 individuals with CD were followed over a 24-month period, of which 92% were CDNon-SURG and 8% were CDSURG patients. The majority of patients (89%) were 18 to 54 years old with a higher portion of CDSURG patients in the 18-34 age range. CDSURG included younger patients (mean age: 37 yrs) and a lower percent of females (48%) compared to CDNon-SURG (41 yrs; 59% female). CDSURG patients had higher hospitalization rates (38%) and incurred more health care expenditures (\$15,112) during baseline compared to CDNon-SURG patients (23%; \$13,400). During the last 6 months of follow-up, the percentage of CDSURG patients on biologics dropped to 44%; of the 56% in CDSURG who discontinued biologics, 31% received no treatment. In contrast, the percentage of CDNon-SURG patients continuing biologics decreased to 67% with 37% remaining on a "biologic only." **CONCLUSIONS:** Most CD patients (92%) initiated on biologics did not require surgery, however about one third stopped TNF antagonist treatment over 24 months. Although 8% of CD patients underwent surgery, they incurred high direct and indirect costs even prior to surgery. Even with availability of TNF antagonists, due to high discontinuation rate, there is an unmet need of effective CD treatment options that may delay or prevent disease progression.

PHS81

SURGERY AND BIOLOGIC USE PATTERN FOR ULCERATIVE COLITIS PATIENTS INITIATED WITH INFLIXIMAB IN A MANAGED CARE SETTING IN THE UNITED STATES

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OBJECTIVES: To identify patient demographics and treatment use patterns in patients with Ulcerative Colitis (UC) who initiated biologic treatment with infliximab in a managed care setting. **METHODS:** Patients with UC (ICD-9 code 556.X) who initiated infliximab between January 2007 and December 2008 were identified from the US IMPACT health insurance claims database. Two cohorts were identified based on whether they received UC related surgery (UCSURG) or did not receive a UC related surgery (UCNon-SURG) within a 24 month follow-up. All patients were continuously enrolled for both medical and pharmacy benefits during the 6 months prior to their first infliximab claim (index claim) and 24 months post index claim. **RESULTS:** A total of 264 individuals with UC were followed over 24-months, of which 84% did not receive surgery (UCNon-SURG) and 16% underwent surgery (UCSURG). In both cohorts, mean age was 42 years and 45% were women. The majority of patients (80%) were 18 to 54 years old with a higher proportion of UCSURG patients in the 35-44 year group range. During the 6-month baseline period, UCSURG patients had higher hospitalization rates (40%) and incurred more health care expenditures (\$17,217) than UCNon-SURG (22%; \$11,774). In the 24 month follow-up, 60% of patients within UCSURG underwent surgery during the first year following their index claim. Seventy percent of UCNon-SURG patients continued biologics with 34% remaining on "biologic only" compared to UCSURG, where 70% had no treatment. **CONCLUSIONS:** Most UC patients (84%) initiated on infliximab did not require surgery and continued biologic treatment (70%) over 24 months. Additional research is needed to further understand reasons for discontinuation of biologic treatment. Although 16% of UC patients underwent surgery, they incurred high direct and indirect costs even prior to surgery. There is an unmet need of effective UC treatment options that may delay or prevent disease progression.

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ASSOCIATION BETWEEN DRUG DEPENDENCE AND RADICAL PROSTATECTOMY COMPLICATIONS IN ELDERLY